

## Message Text

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20/11

ACTION EA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-05 NSAE-00 RSC-01 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-01

CEA-01 L-02 SAM-01 H-01 PA-01 PRS-01 USIA-06 /078 W

----- 065184

R 130721Z DEC 74

FM AMEMBASSY TAIPEI

TO SECSTATE WASHDC 3687

INFO USLO PEKING

AMCONSUL HONG KONG

C O N F I D E N T I A L TAIPEI 7362

C O R R E C T E D C O P Y (CORRECTIONS THROUGHOUT ENTIRE TEXT)

E.O. 11652: GDS

TAGS: EIND, EINV, TW

SUBJECT: GM PLANNED INVESTMENT ON TAIWAN

REF: STATE 272049

1. EMBASSY WAS SURPRISED AT NEWS THAT GM IS STILL DISCUSSING POSSIBLE INVESTMENT IN ROC. SINCE DEPARTURE OF KENNEETH E. BUELL, WHO REPORTS TO TELSHAW, SEVERAL MONTHS AGO, ONLY GM REP ON ISLAND IS LARRY T. SUN, WHO IS INVOLVED ONLY IN SALES AND SERVICE OF GM VEHICLES.

2. FOLLOWING RECEIPT OF REFTEL, ECONCOMM COUNS CALLED SUN TO OBTAIN KNOWLEDGE OF BUELL'S WHEREABOUTS. SUN STATED HE DID NOT KNOW WHERE BUELL IS OR WHEN HE MIGHT RETURN. SUN THEN WENT ON TO SAY THAT TELESRAW HAD BEEN IN TAIPEI SEVERAL WEEKS AGO "TO MAINTAIN CONTACTS". DURING HIS 48-HOUR VISIT, HE PAID COURTESY CALL ON ACTING MINISTER OF ECONOMIC AFFAIRS (.S. CHANG (CHANG KUANG-SHIH) AND  
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MET WITH CHINA MOTORS, WITH WHICH GM HAS BEEN HAVING

DISCUSSIONS ON POSSIBLE JOINT VENTURE FOR MORE THAN TWO YEARS.

3. IN SUN'S OPINION, GM IS NOT CLOSE TO MAKING DECISION ON INVESTMENT IN ROC. LOCAL MARKET WILL NOT SUPPORT ANOTHER MANUFACTURER FOR FORESEEABLE FUTURE AND STAMPING PLANT WILL BE UNECONOMICAL UNTIL LOCALLY-MADE STEEL AVAILABLE IN THREE YEARS WHEN CHINA STEEL'S KAOHSIUNG MILL IS COMPLETED. TELSHAW INDICATED TO SUN THAT HE OR SOMEONE ELSE FROM GENERAL MOTORS OVERSEAS OPERATIONS WOULD VISIT TAIWAN FROM TIME TO TIME TO INDICATE TO GROC WTHAT GM HAS A POTENTIAL LONG-RANGE INTEREST IN TAIWAN AND TO ASSESS ECONOMIC CONDITIONS. SUN DID NOT KNOW WHY TELSHAW DID NOT CALL AT EMBASSY DURING HIS RECENT WHIRL-WIND VISIT. HE HAS DONE SO ON PREVIOUS VISITS.  
POPPL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENTS, FOREIGN TRADE  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 DEC 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974TAIPEI07362  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D740364-0111, D740362-0414  
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**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 74 STATE 272049  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CunninFX  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUL 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUL 2002 by shawdg>; APPROVED <27 MAR 2003 by CunninFX>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
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**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GM PLANNED INVESTMENT ON TAIWAN  
**TAGS:** EIND, EINV, TW, US, GENERAL MOTORS  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005